

January 18, 2002

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AMS Fruit & Vegetable Programs
USDA Stop 0247
1400 Independence Ave., SW
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SUBJECT: Comments by the Michigan Farm Bureau on the New Proposed standards for Grades of Apple Juice from Concentrate, Federal Register, November 21, 2001, page 58431.

Michigan Farm Bureau is submitting the following comments in response to the federal register notice on November 21, 2001, requesting comments on the above referenced subject.

Michigan Farm Bureau is the state's largest general farm organization representing over 45,000 farmer member families. Our members grow and sell apples to processors in Michigan and in other Eastern states such as New York and Pennsylvania.

Michigan is the third largest apple producing state, with production ranging from 20-29 million bushels annually. Two-thirds of our production is utilized for processing with 30-50 percent of this amount processed into juice. In some years, more Michigan apples are processed into juice than are sold in the fresh market. As you can see, the proposal and standards are very important to the apple industry in Michigan.

We are vigorously opposed to the proposed grade standards for four major reasons:

- 1. The proposed standards for apple juice from concentrate would not be beneficial for the entire U.S. apple industry, but rather would favor only one sector of production in the Pacific Northwest.** Currently the USDA purchases single strength, fresh squeezed juice for their feeding programs. That is what Michigan and most of the juice processors in the Eastern United States produce because fresh, single strength juice is far superior to juice reconstituted from concentrate. This proposed standard would, if effect, move the canned USDA juice business from the Eastern United States to the Pacific Northwest where concentrate is the primary production.
- 2. The proposed grade standards would have the effect of destroying apple juice production in the Eastern United States.** In Michigan and the Eastern United States our production is of high quality, flavorful, high acid apples. Page 3 of the proposal states that the required minimum Brix-Acid ratio would be 21:1, a ratio clearly designed for low acid apples only produced in the Pacific Northwest. Under that ratio, 75% of Michigan's production would fail to meet the standards because of our production of mostly high acid apples.

3. **This proposal, if enacted, would create a loophole for low acid, cheap foreign apple juice concentrate of questionable quality to be used in our feeding programs.** More than one-half of the apple juice manufactured in the U.S. is made from foreign apple juice concentrate. Much of this foreign concentrate is of such poor quality that a synthetic form of malic acid must be added in order to make it of acceptable flavor. The proposed standards would clearly lead to greater use of these cheap, inferior imports at the expense of Michigan grown apples.

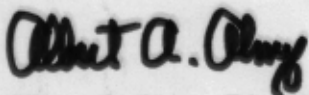
Other countries are currently circumventing our trade laws and dumping apple juice concentrate into this country, to be bought at prices well below what our growers and processors can produce it for, and used for apple juice production. This will eliminate the ability of our processors and grower owned cooperatives to pay growers a competitive price for their superior product, and will wipe out much of the apple production on the Eastern half of the United States.

4. **This proposal will lead to a reduction in the overall quality of apple juice for U.S. consumers.** The proposal will favor the use of low acid, apple juice concentrate from the Pacific Northwest and from foreign producers at the expense of high quality, flavorful, high acid juice apples grown in Michigan and other Eastern states.

Michigan Farm Bureau opposes the proposed grade standards, and encourages USDA to continue its practice of providing the best quality, and most nutritious form of pure apple juice to all consumers, especially to our school children and needy families. This will continue to demonstrate USDA's support of American agriculture and our nation's farmers.

Thank you for your consideration of our comments, and we'd be happy to provide any additional information or assistance.

Sincerely,



Albert A. Almy, Director
Public Policy & Commodity Division